(4) Where a charge provides for the payment for a principal sum by way of instalments, the payment of those instalments shall not be taken to be a further advance.

83. Consolidation

(1) Unless there is an express provision to the contrary clearly set out in the charge instrument, a chargor who has more than one charge with a single chargee on several securities may discharge any of the charges without having to redeem all charges.

(2) A chargee who has made provision in accordance with subsection (1) for the consolidation of charges shall record that right in the register or registers against all the charges so consolidated that are registered.

(3) Upon commencement of this Act, the rules of equity applicable to consolidation shall not apply to charges.

84. Variation of interest rate

(1) Where it was contractually agreed upon that the rate of interest is variable, the rate of interest payable under a charge may be reduced or increased by a written notice served on the chargor by the chargee—

(a) giving the chargor at least thirty days notice of the reduction or increase in the rate of interest; and

(b) stating clearly and in a manner that can be readily understood, the new rate of interest to be paid in respect of the charge.

(2) The amount secured by a charge may be reduced or increased by a memorandum which shall—

(a) comply with subsection (5); and

(b) be signed—

(i) in the case of a memorandum of reduction by the chargee; or

(ii) by the chargor; and

(c) state that the principal funds intended to be secured by the charge are reduced or increased as the case may be, to the amount or in the manner specified in the memorandum.

(3) The term of a charge may be reduced, extended or renewed by a memorandum which—

(a) complies with subsection (5);

(b) is signed by the chargor and the chargee; and

(c) states that the term of the charge has been reduced, extended or renewed, as the case may be, to the date or in the manner specified in the memorandum.

(4) The covenants, conditions and powers expressed or implied in a charge are varied in the manner specified in the memorandum.

(5) A memorandum for the purposes of subsections (2), (3) and (4) shall—

(a) be endorsed on or annexed to the charge instrument; and

(b) upon endorsement or being annexed to the charge instrument, vary the charge in accordance with the terms of the memorandum.